

Questions and Answers from the Town Hall Meeting with the Acting Administrator May 29, 2013

June 26, 2013 Update – Latest Information Appears in Italics

We want to thank all of the employees who sent in questions for the Acting Administrator. He was only able to answer several during the meeting, but wanted to make sure that as many questions as possible are answered. Many questions have already been addressed in the *Administrative Furlough Questions and Answers for Employees* document and the *Phase II Manager and Staff Guidance* that is posted on the EPA Intranet site and is updated as needed. Additional questions and answers not addressed in the meeting or these two documents are included below.

Budget

Q1: If some offices had enough money to avoid a furlough, why did they have to comply?

A1: EPA determined that, in order to minimize disruption to the Agency's operations, ensure equitable treatment of its workforce, and lessen the impact to employee morale, it would implement furloughs for all employees who are subject to an administrative furlough. The sequester is required to be applied as an across-the board reduction to every program, project and activity. For EPA, this level of budget detail is generally at the program area level. Program areas are line items in our budget documents covering all the activities of the agency, and many consist of multiple program projects, which provide more detailed information. EPA applied the requirement at a lower level of detail, the program project, for geographic programs (e.g. Chesapeake Bay, Puget Sound) and programs in the State and Tribal Assistance Grants appropriation. Under sequestration rules, the agency may not choose to reduce one program at the expense of another program outside of these budget levels. EPA used every available option to reduce the required Phase 2 furlough hours.

Q2: Why are unobligated funds and travel dollars being pulled back to help with the furlough?

A2: Non-payroll cuts account for almost 80 percent of EPA's total sequestration cuts. Cost savings realized from spending controls put in place earlier in the fiscal year, like reduced hiring and limited travel as well as employee separations and voluntary leave without pay, have made it possible for us to reduce the number of furlough hours taken by each employee.

In addition, we maximized the flexibility in the final FY 2013 appropriation in order to reduce the furlough hours. We have made very difficult decisions to take further cuts to resources for contracts, grants, travel and other expenses. These reductions will require us to manage our extramural dollars very carefully for the remainder of the year to ensure we have what we need to do our most critical work.

Q3: Where do we find the budget detail that shows what cuts are essential due to the sequester?

A3: Because each agency's budget is structured differently, the application of the sequester reductions differs by agency.

For EPA, we had to take the same percentage reduction to each of our line items in the budget (program area). This led to very different impacts across the budget because the mix between pay and non-pay in a program area varies from almost all pay in some program areas to almost all grants and contracts with little to no payroll in others. Because we are committed to treating all employees the same across all the budget lines, this disparity had to be considered in our planning.

We also have restrictions to the reductions we can take to the STAG appropriation and geographic programs (such as the Chesapeake Bay, Great Lakes, and Puget Sound). Some agencies have the authority to transfer money between appropriation accounts which we do not have. Some of these same agencies also got additional money in the appropriations bills – while we got \$106 million less.

The combined impact of these circumstances results in the need for employees to take some of the remaining furlough hours through the end of the fiscal year.

Q4: Why do we still see non-essential expenditures, travel, international visits and travel costs well above per-diem being approved?

A4: The agency has been asked to manage extramural spending very carefully, and travel has been limited to essential mission critical only. But the agency has an important job to do and work that requires travel must still be done even in these difficult financial circumstances. The agency will continue to carefully scrutinize travel needs and ensure that those resources are used for the most important work and make full use of the options provided us by technology to avoid incurring travel costs where it makes sense.

Q5: Did EPA seek Congressional permission to exceed reprogramming thresholds that would allow grant STAG resources to be used to cover salary expenses? If not, why not?

A5: While reprogramming involves moving funds within an account, moving funds between accounts requires statutory transfer authority. In order to use STAG resources to cover salary expenses, STAG resources would need to be transferred into an account that is available and pays for salaries, such as EPM. However, unlike some other agencies, we did not receive statutory authority to transfer funds between accounts in our FY 2013 appropriations bill. Without this authority, we were limited to reallocating reductions within our appropriations accounts and program areas. This was a significant challenge for one of our accounts - EPM - where over 10,000 of the nearly 17,000 EPA employees are paid. In addition to the over 5% cut under sequestration, the 0.2% rescission taken across the board, and the 1.2% needed to pay rent for our facilities, the final appropriations bill also included a \$26 million general reduction to EPM resources.

In preparing the FY 2013 Operating Plan and the budget adjustments needed to reduce the Phase Two furlough hours, we shifted funds, used carryover where we had it, and made reductions to extramural resources for things like competitive grants and travel which did not require congressional approval. None of these programmatic reductions are without impact, but this approach allowed us to reduce the furlough hours to a total of 55 from an initial estimate of 104.

Q6: Would you publish a briefing or point paper that lays out in detail why the EPA has “no choice?”

A6: We have been doing our best to answer this question through the information posted on the internal agency website concerning sequestration and furloughs that is designed to assist employees in understanding the difficult choices the agency faced in dealing with these reductions.

In summary, unlike some other agencies, we do not have transfer authority in our FY 2013 appropriations bill. Without this authority, we were limited to reallocating reductions within our appropriations accounts and program areas. This was a significant challenge for one of our accounts - EPM - where over 10,000 of the nearly 17,000 EPA employees are paid. In addition to the over 5% cut under sequestration, the 0.2% rescission taken across the board, and the 1.2% needed to pay rent for our facilities, the final appropriations bill also included a \$26 million general reduction to EPM resources.

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Q7: Why are we not using FY 2012 carry over money to help pay for salaries?

A 7: In preparing the FY 2013 Operating Plan and the budget adjustments needed to reduce the Phase Two furlough requirement, we shifted funds, made reductions to extramural resources, and did use carryover wherever it was available and appropriate. All payroll carryover was applied toward FY 2013 salary needs.

Q8: What budget numbers were used to calculate furloughs?

A8: The final furlough calculations considered the funding and directions specified in the FY 2013 final appropriations bill. This included reductions on top of those specified under sequestration.

Q9: Is it still possible that we could find more cost savings that could reduce the number of furlough hours below 55?

A9: *No, the agency has made the final adjustments to the furloughs for FY 2013.*

Q10: How does an operating plan reflect what is being done to limit furloughs?

A10: *An operating plan is the budget for every office, division and branch that reflects the amount provided by law in each appropriation rather than the amount requested in earlier budget submissions. The agency operating plan for FY 2013, as it does every year, contains the information on funding levels used by offices to develop their individual priorities and spending plans. This year there were more changes than in previous years as funds have been shifted and adjusted to allow us to reduce the required number of furlough hours. The decisions on exactly what non-pay resources will be reduced (printing, contracts, training, etc) to meet the changed levels are still being made by the program offices, regions, divisions and branches.*

Q11: How was the decrease in the furlough hours calculated?

A11: *The agency has the benefit of a very precise salary calculation model that is based on actual expenditures. Combined with data on required pay adjustments such as With-in Grade increases, the agency could project estimated payroll needs for staff on-board through September 30, 2013. This data was used as the basis for the senior leadership's decisions on furloughs. In preparing the FY 2013 Operating Plan and the budget adjustments needed to reduce the Phase Two furlough hours, we shifted funds, used carryover where we had it, and made reductions to extramural resources for things like competitive grants and travel which did not require congressional approval. None of these programmatic reductions are without impact, but this approach allowed us to reduce the furlough hours to a total of 55 from an initial estimate of 104.*

Q12: Would EPA consider proportioning furlough hours based on budgetary best practices? Regions who do better, get fewer furlough hours?

A12: *EPA determined that, in order to minimize the disruption to the Agency's operations, ensure equitable treatment of its workforce, and lessen the impact to employee morale, it would implement furloughs for all employees who are subject to an administrative furlough. The OIG has its own personnel authority under the Inspector General Act and makes separate decisions on furloughs from the agency as a whole.*

Q13: Will we always have to live 5% below the budget we get each year?

A13: *The slightly more than 5% reduction in FY 2013 was based on the requirements of sequestration for FY 2013. The Budget Control Act is in effect until 2021. The impact of this legislation will be determined each year through the annual appropriations process.*

Q14: How much money was saved by the recent Phase I furlough?

A14: The Phase One furloughs are still being taken by agency employees so the final savings cannot be calculated yet. The estimated payroll savings from Phase One is \$32 million agency-wide.

Q15: How much money will be saved from the Phase II furlough?

A15: The estimated payroll savings from the Phase Two hours is \$23 million agency-wide.

Q16: Will the agency be requesting back pay for employees in future appropriations?

A16: The Agency does not expect to seek future appropriations to cover prior administrative furloughs, although Congress could choose to do so.

Q17: How much of a budget surplus does EPA expect to have this year?

A17: There is no 'surplus'. The agency has reduced contract, grants, travel and expenses sharply in order to lower the number of furlough hours needed. Because ratios of pay and other costs are different in different programs across the agency, the percent reduction to non-pay varies. Many programs have experienced severe cuts. Difficult choices have been made to try to maintain essential activities and curtail other important work that can be delayed or reduced.

While it is not possible to guarantee that all funds are obligated in the year they are appropriated, the agency has been making a significant effort over the last several years to reduce carryover in a fiscally responsible way. Despite the challenges caused by the delay in finalizing the budget at the program and office level, this is still a priority. Payroll has been managed very carefully and will be monitored for the remainder of the year to ensure payroll needs are met. Avoidable large amounts of pay or non-pay carried over in to FY 2014 are not expected as each program is facing challenges in maintaining critical mission activities.

Q18: Could elimination of the transit subsidy program save the agency money that could be used to offset furlough hours?

A18: Yes, however, the EPA believes that continuation of this program is an important benefit for both employees and the environment. While EPA did not raise the amount of transit subsidy that Congress authorized could be given to employees, it did choose to maintain the subsidy at the current maximum level of \$125 per month. The EPA felt this offered a balanced approach to maintaining this important employee benefit while also helping to reduce additional costs.

Q19: Why do some program offices provide training funds for a graduate program but my program does not?

A19: Each program office is responsible for making the decisions related to mission critical activities, including training. It may be that your program office has already committed to other

training priorities. You may want to have a discussion with your supervisor and your office's training coordinator to address this issue for future courses.

Q20: Why did EPA allow some offices to give cash awards when it knew the impact of an upcoming sequestration? Why did some employees receive awards and others not?

A20: *In FY 2013 the agency set aside 1% of its budget for cash awards to be used throughout the fiscal year. Some offices give out awards early in the fiscal year and chose to do so in FY 2013. Unfortunately shortly after the Sequestration went into effect, OMB instructed agencies to freeze all cash awards to employees. EPA did not plan for nor anticipate this action and recognizes that many employees will not be receiving cash awards in FY 2013.*

Q21: Did EPA ask Congress for flexibility to move our funding around?

A21: *Yes. In response to EPA's request for flexibility, Congress applied EPA's sequester at a modified program area level, eliminating some of the control points included in a typical budget year. However, unlike some other agencies, we do not have transfer authority in our FY 2013 appropriations bill. This was a significant challenge for one of our accounts – EPM – where over 10,000 of the nearly 17,000 EPA employees are paid. In addition to the over 5% cut under sequestration, the 0.2% rescission taken across the board, and the 1.2% needed to pay rent for our facilities, the final appropriations bill also included a 26 million general reduction to EPM resources.*

Q22: Why did we give SES bonuses?

A22: *During the 1st Quarter of FY 2013, EPA processed performance awards (bonuses) for Senior Executive Service (SES) officials with career appointments in accordance with 5 U.S.C. § 5384(a)(1). These awards were based on the recommendations received by EPA's Performance Review Board and were in compliance with guidance in place from the Office of Personnel Management (OPM) and the Office of Management and Budget (OMB).*

Q23: Why are we acquiring new internal management tools now? We have been operating with these since EPA's inception.

A23: *The decisions to acquire new internal management tools (i.e. replace Lotus Notes infrastructure to Microsoft 365 Workplace) will facilitate collaboration among EPA colleagues and also pave the way for longer-term cost savings as the agency begins to decommission costly infrastructure. Even taking into account the projected costs for the new tools, EPA expects to save over \$7 million over four years.*

Q24: How is EPA making the case that continuing budget cuts are threatening our environment gains, or are we making that case? If we are not our best advocates who will be?

A24: *The Acting Administrator and other senior leaders have been and will be on Capitol Hill in the coming weeks to testify regarding the agency's proposed budget for Fiscal Year 2014, and*

underscore the importance of continued funding to fulfill our critical mission of protecting the environment and human health.

Q25: Is EPA senior management really taking the effort to cut costs, improve efficiency and streamline operations? If they are, it is not apparent.

A25: As an agency, we have faced difficult choices to implement the required across-the-board reductions as a result of sequestration. The hurdles we have faced as a workforce extend beyond the furloughs – to the non-payroll budget cuts that account for almost 80 percent of our total sequestration cuts.

Senior managers at headquarters and in the regions have been working hard to balance these necessary across-the-board cuts with our continued efforts to fulfill our mission to protect human health and the environment.

Our leadership team has spent months analyzing every number in our budget and assessing every agency resource. We've made tough decision after tough decision – doing all we can to minimize the impact sequestration has on EPA employees, providing flexibilities on furloughs when possible, while at the same time trying to ensure we're still honoring our mission to protect human health and the environment.

Q26: Have we eliminated the professional painting of portraits of the Administrator?

A26: No. The portraits of EPA Administrator, similar to other Cabinet-level officials, are tributes to the Agency's leadership, throughout the years. Earlier this year, former Administrator Lisa P. Jackson's portrait was hung outside the hallway of the Green Room.

Contracts and Grants

Q1: Why will EPA issue discretionary grants instead of reducing furlough days? Shouldn't they all be only for mission-critical activities?

A1: Consistent with Agency guidance, new grant funding actions, including the award of discretionary grants, must be mission critical.

Q2: Are SEE contractors being reduced or eliminated to offset the furlough?

A2: SEE enrollees are not federal employees, they are grantees. On the currently designated furlough days where EPA employees will not be available to monitor their SEE grantees, the SEEs will also be furloughed by their grantee organization in accordance with their grantee organization's procedures. In addition, only mission critical SEE program actions are being funded.

Facilities

Q1: Is it in EPA's best interest to pay for gym memberships for employees?

A1: Yes, it is in the best interest of the EPA to subsidize fitness center fees for its employees. The agency has established physical fitness and access to fitness centers as a key component of its national health and wellness program. A 2010 Harvard Business Review article found that wellness programs, of which fitness is a component, can return as much as six times their cost to the companies and organizations that sponsor them. Another 2010 review by a separate team of Harvard researchers, published in the journal Health Affairs, concluded that "medical costs fall by about 43.27 for every dollar spent on wellness programs and that absenteeism costs fall by about \$2.73 for every dollar spent."

Q2: Why is money in Region 4 being spent on new carpet and paint?

A2: These activities are part of a tenant improvement process that is being provided by the General Services Administration at no cost to the EPA.

Furlough Process

Q1: Can I take some of my 32, Phase 1 furlough hours in Phase 2?

A1: No. The 32 furlough hours in Phase 1 (including the designated day on May 24) must still be taken by June 15, and may not be carried over into Phase 2.

Q2: Can I take some of my 23, Phase 2 hours in Phase 1?

A2: No. All 23, Phase 2 hours, must be taken between June 16 and September 30, 2013. July 5 and August 20, 2013 will remain as designated furlough days for Phase 2 as previously planned.

Q3: Why was the OIG not furloughed? If employees whose position were covered by other appropriations, and all offices had to be furloughed regardless of the status of their PC&B account, why not the OIG?

A3: The OIG has its own personnel authority under the Inspector General Act and can make separate decisions on furloughs from the agency as a whole.

Q4: What will happen if OCFO has made a mistake and there are large surplus payroll and extramural dollars left? Will employees be allowed to amend timecards with Administrative Leave in lieu of furlough days taken?

A4: OCFO has been working closely with agency leadership and budget offices across the agency in developing the FY 2013 Operating plan and determining the necessary furlough days. While it is not possible to guarantee that all funds are obligated in the year they are appropriated, the agency has been making a significant effort over the last several years to reduce carryover in a fiscally responsible way. Despite the challenges caused by the delay in

finalizing the budget at the program and office level, this is still a priority. Payroll has been managed very carefully and will be monitored for the remainder of the year to ensure payroll needs are met. Avoidable, large amounts of pay or non-pay carried over in to FY 2014 are not expected as we have seen declining resources over the last several years, and each dollar we receive has an intended purpose.

Q5: How do we handle part-time employees who will exceed their prorated furlough hours if they take both remaining designated furlough days?

A5: Part-time employees must change their work schedules so as not to exceed the prorated part-time hours on the two designated furlough days. If a part-time employee is on a maxiflex schedule, the employee must change his/her schedule so as not to exceed the prorated part-time hours on the two designated furlough days. Also, a part-time employee on a maxiflex schedule must ensure they change his/her schedule to include prorated, part-time furlough hours on the two designated furlough days. See Appendix A of the Phase II Guidance for Managers and Employees on the EPA intranet site.

Q6: Why do we designate furlough days? Can we eliminate them?

A6: In an effort to create a balanced approach to establishing a furlough process, it was agreed early on in discussions with the unions, that some furlough days would be designated around federal holidays. The three designated furlough days of May 24, July 5, and August 30 enable employees to have a longer time-off around these holidays and facilitate greater cost savings and efficiencies in the management of EPA's facilities. Other days were not designated to provide maximum flexibility for employees to select the days and hours that best met their personal and financial needs. The two remaining designated furlough days of July 5 and August 30 will be maintained.

Q7: If my training conflicts with a designated furlough day, can I change my furlough day?

A7: If this training has been deemed mission critical and cannot be changed, the employee must move their designated furlough day to another day.

Hiring and Details

Q1: Why are we hiring from outside the Agency or outside Government?

A1: The only hiring that has occurred during the furlough period is for the purpose of filling mission critical positions or back-filling vacancies that have created a significant workload problem for existing employees. When hiring for any position the EPA seeks to bring in the best qualified employees, whether they be from outside the agency or government, or from within.

Q2: Why is EPA still hiring summer interns?

A2: EPA is not hiring summer interns. EPA has advertised for volunteer interns who are not being paid.

Q3: Why did we let the student intern appointments expire?

A3: This was one of the many reductions made by the agency to control non-essential expenses and to help reduce the number of furlough hours for employees.

Q4: Has the freeze on details been lifted?

A4: The approval of details will depend on the needs of each region and program office and resources that are available to them within their Operating Plan. Employees who are interested in career development opportunities should consider looking into participating in EPA's Skills Marketplace Program. Further information on the Skills Marketplace Pilot can be found on the intranet sit at <http://intranet.epa.gov/OARM/onegreatplace/skillsmarketplace>.

Q5: Could we have more furlough hours so that we could sensibly hire and detail people when gaps occur?

A5: Yes we could, but it has been the Acting Administrator's desire to take a balanced approach to furloughing employees while also addressing the important mission of the agency. It has been his goal to reduce the burden of furlough hours on employees to the greatest degree possible, which has been accomplished with the lowering of these hours to 55.

Q6: Why is EPA hiring new employees while furloughing existing employees? Do we not have current employees who could do this work?

A6: For our Agency to continue to protect the health and environment of the American people, we have to balance reductions required by sequestration with the need to continue to achieve our mission. Although we have reductions, we cannot cut any further necessary new hires, even at reduced replacement rates. Necessary new hires, as well as mission-critical travel, workforce training and new internal management tools continue.

Q7: Why is EPA increasing the number of managers while staff levels are being reduced? Why are we not flattening the management pyramid?

A7: Throughout Fiscal Year 2013, the agency hired both supervisory and non-supervisory staff. To date in Fiscal Year 2013, 80% of all hires were non-supervisory positions.

Leave and Pay

Q1: Accrual of annual leave is reduced when part-time employees are on furlough. How is EPA addressing this inequity between part-time and full time employees?

A1: Part-time employees earn annual leave based on the number of hours worked, full-time employees earn annual leave based on their years of service. This system is established by OPM, not by the EPA. OPM addressed this issue in their Sequestration Question and Answer document which can be found on both the OPM and the EPA intranet site.

Q2: Will scientists who have been recommended for Technical Quality Board promotions be given those promotions this fiscal year?

A2: This will be determined by each regional and program office.

Q3: What specifically is being done to minimize the excessive amounts of comp time and overtime being paid out?

A3: Overtime/compensatory time off and other premium hours are to be authorized in extreme circumstances by Senior Resource Officers. Senior management has the discretion to authorize these forms of premium pay if it is related to mission critical activities and can be funded within their existing budget.

Q4: Why did we give SES bonuses?

A4: Under 5 U.S.C. 5384(a)(1), Senior Executive Service (SES) officials with career appointments are entitled to performance awards (bonuses) following recommendations by their agency's Performance Review Board. By law, these bonuses may not be less than 5 percent nor more than 20 percent of the career appointee's basic rate of pay. SES bonuses were awarded prior to the sequestration.

Q5: Will pay cuts become the new norm?

A5: Cuts may not become the new norm, but Congress appears to be interested in limiting salary increases for federal employees as one way to deal with reducing and controlling the budget deficit.

Lessons Learned and Plans for the Future

Q1: What can EPA learn from other agencies that had fewer or no furloughs?

A1: While we can examine the actions/budget reductions that other agencies took to avoid furloughs, each agency's budget is structured differently. The application of the sequester reductions differs by agency. Some agencies are able to avoid furloughs because their budget structure gives them more flexibility in absorbing the sequestration cuts. EPA's appropriation and "program, project, and activity" structure is more constraining.

Other agencies budgeted for significant amounts of overtime, and they are stopping its use. At EPA, our overtime is less than 1/2 of 1 percent of payroll so, while EPA is stopping all overtime that is not mission critical, the savings is minimal.

Other agencies also have a number of seasonal employees and are choosing to either not hire or reduce these numbers. EPA is not in that situation.

Additionally, other agencies have also said their workforce levels are down, and they have implemented a hiring freeze. EPA's workforce levels are down, and we have had hiring

restrictions in place since last year; these reductions and savings have been factored in to the number of employee furlough days needed at EPA.

Q2: What are the likely budget challenges in FY 2014 if the sequester continues?

A2: *We will not know the final budget for the agency for FY 2014 until Congress acts and we receive an appropriation. With respect to sequestration, if no long term budget deal is reached or government-wide funding for a given budget year is not reduced sufficiently, then, under current law, a sequester could happen each year until 2021. The specific impacts of a sequester (including potential furloughs) in FY 2014 cannot be known until calculations have been made available by OMB. At that time EPA will evaluate and consider all available options.*

Q3: When will the total workload analysis be completed that Craig Hooks committed to during his confirmation hearing?

A3: *In August 2011, OARM initiated a collaborative workforce planning initiative in conjunction with the agency's annual budget process. The initiative focused on identifying the critical occupations required to meet current and future mission objectives. Each regional and program office completed a pre-populated, office-specific template that identified current mission critical occupations as well as other occupations within the office. As part of the process, offices were also asked to consider retirement eligibility data to estimate potential attrition and identify anticipated shifts in their occupational profiles over future years (FY 2012-2015). The data collected through this initiative were analyzed and compiled in a report, "Workforce Planning Gap Analysis Report 2012: EPA's Workforce Needs 2012-2015," that was finalized in August 2012. The AA-OARM transmitted the Report on August 30, 2012. Agencywide workforce planning continues on an annual basis.*

Q4: Is a RIF possible next year?

A4: *A Reduction in Force is a tool that is available to federal agencies when they restructure functions or no longer have budget dollars to support a function. Historically, the EPA has worked very hard to avoid imposing RIFs, even when functions have been significantly changed. To address the current funding issues associated with the sequestration, the EPA decided to impose an agency-wide furlough. We do not know what our budget will be for FY 2014 and what strategy will need to be taken to address any substantial reductions that it may include. Based on past practice, the EPA would look at all alternatives available prior to any consideration of a RIF.*

Q5: If an unforeseen event occurs could more furlough hours be added to cover these costs, or would you seek additional funds from Congress to reimburse personnel?

A5: *It is hard to speculate about an event that has not yet occurred. If a large natural disaster occurred like the BP Gulf spill or Hurricane Katrina, EPA would work with FEMA and OMB to find ways to address its resource needs.*

Q6: Are salary cuts and no promotions part of the efforts to reduce spending over the next few years?

A6: The pay scale and annual cost-of-living pay raises for government employee are determined by Congress, not the EPA. During our current furlough period, career ladder promotions and with-in-grade increases have not been limited. As hiring has been down, promotional opportunities have been limited, and as is the case with all positions, are competitively filled. Given the current climate in Congress, opportunities to increase government employee's salaries does not seem to be a priority, or likely.

Q7: What long term strategies are being considered to avoid annual furloughs for the next ten years?

A7: Payroll costs for our agency have been taking a greater and greater share of our total budget, even as we have been reducing FTE levels over the last several years. The impact of budget reductions called for in the future by the Budget Control Act cannot be known at this time. The best strategy we have is to ensure we are deploying all our resources, staff and extramural funds as effectively as possible. The work we need to accomplish to fulfill our commitment to the American people and the EPA mission has not diminished. Through efforts such as My Workplace, Next Generation and E-Enterprise, EPA has been actively seeking out and implementing changes to the way we do business by embracing technological advances. Beyond technology, we are also looking to efficiencies gained by establishing centers of expertise and leveraging the work of others. These actions and others will help the agency manage in the constrained fiscal environment. However, final appropriation levels will be the real deciding factor as we move forward.

Q8: Why don't we stop doing our job in several important areas and let the public and Congress see out true value, so our furlough can be ended?

A8: Sequestration requires the agency to apply an across-the-board reduction in every program area. Under sequestration rules, we may not choose to reduce one program at the expense of another program. We have made very difficult decisions to balance the reductions in payroll and non-payroll areas, including contracts, grants, travel and other expenses.

Q9: What are you going to do to keep moral and the level of enthusiasm of employees high enough to high-achieving employees at EPA?

A9: We know that sequestration cuts, especially furloughs, have had negative impacts on morale. We will continue to implement our operating plan for Fiscal Year 2013 with a focus on minimizing the impact to our employees while expressing our gratitude to our employees for their dedicated service.

We are well aware of the importance to balance the critical mission of our agency and the impact of sequestration on the agency's employees. This is why we have spent so much time carefully examining our budget – using as much flexibility as possible to reduce those impacts and ensure every furlough hour required of employees is absolutely necessary.

We have worked hard to carefully and comprehensively review our resources and our priorities with a focus on minimizing furloughs, and we have been able to reduce the total amount of furlough hours required for each employee.

Q10: If the sequestration lasts for a decade, how will this impact EPA's mission to protect human health and the environment?

A10: This year's slightly more than 5% across-the-board reduction on our budget was based on the requirements of sequestration for Fiscal Year 2013. The Budget Control Act is in effect until 2021. The impact of this legislation will be determined each year through the annual appropriations process.

Q11: Employees can't keep up and EPA should not expect to continue to overburden its employees to try to continue to protect the environment like it has done in the past/How does EPA plan to deal with this problem?

A11: We are uniquely aware of the importance to balance the critical mission of our agency and the impact of sequestration on the agency's employees. This is why we have spent so much time carefully examining our budget – using as much flexibility as possible to reduce those impacts and ensure every furlough hour required of employees is absolutely necessary.

We have worked hard to carefully and comprehensively review our resources and our priorities with a focus on minimizing furloughs, and we have been able to reduce the total amount of furlough hours required for each employee.

We will continue to implement our operating plan for Fiscal Year 2013 to with a focus minimizing the impact to our employees and continue to show our appreciation to our employees for their dedication and public service.

Q12: How can we improve the effectiveness of our messages to communicate across party lines?

A12: EPA leadership, including our Acting Administrator Bob Perciasepe, continues to work with Congressional leadership across party lines, as well as state and local officials to protect the air we breathe, the water we drink, and the land we work and play on.

In the second term, we are recommitting ourselves to improve relationships with our partners, especially our state and federal colleagues, to best fulfill our mission during these fiscally challenging times.

Q13: How are supervisors being helped by SES managers during these tough times?

A13: Our leadership team, including SES managers, has spent months analyzing every number in our budget and assessing every resource the agency has. We've made tough decision after tough decision – doing all we can to minimize the impact sequestration has on EPA employees,

providing flexibilities on furloughs when possible, while at the same time trying to ensure we're still fulfilling our mission to protect human health and the environment.

As One EPA, we will all continue to work together to move forward during this difficult and unprecedented sequester period.

Town Hall Structure and Content

Q1: Why was sending in questions not anonymous?

A1: In conjunction with the recent EPA Town Hall Meeting with Acting Administrator Bob Perciasepe on May 30, we set up an "Ask Questions" tool for employees to submit questions via email. The "Ask Questions" tool was scheduled to, and for the majority of time did, provide the option to each employee to provide his/her name and office location if an employee choose to identify him/herself. This option should have been available the entire length of time that the "Ask Questions" tool was available to employees; however, due to a technical glitch the option was not available for about the first hour that the "Ask Questions" was active.

Q2: Can you keep the "Ask Questions" active?

A2: We would like to find a communications vehicle that would allow employees to share their concerns, comments, and questions on a regular basis. As was evident with the recent EPA town hall meeting on May 30, 2013, there is an interest in it since we received more than 200 questions in less than 24 hours.

Q3: Instead of bragging about what we have accomplished during the furloughs, what have we given up or not been able to do?

A3: We believe it is important to acknowledge and celebrate the continued commitment of agency employees and their dedicated service to the American public in protecting human health and the environment during these difficult fiscal times.

Also, sequestration requires the agency to apply an across-the-board reduction in every program area. We have made very difficult decisions to balance the reductions in payroll and non-payroll areas, including contracts, grants, travel and other expenses. These non-payroll budget cuts account for almost 80 percent of our total sequestration cuts. These reductions will require us to manage our extramural dollars very carefully for the remainder of the year to ensure we have what we need to our most critical work.